

Grand Junction, Colorado

September 1, 1943

The City Council of the City of Grand Junction, Colorado met in regular session at 7:30 o'clock P.M. Councilmen present and answering at roll call were: Carson, Ross, Hoisington, Boston and President Robb. Councilmen Treece and Campbell were absent. Also present were City Manager Brownson, City Attorney Banks and City Clerk Tomlinson.

The minutes of the regular meeting held August 18th and the regular adjourned meeting held August 26th were read and approved.

The following resolutions were presented and read:

RESOLUTION

WHEREAS, the City of Grand Junction has heretofore, on June 3, 1932, entered into a Trust Agreement with the United States Bank of Grand Junction for deposit of funds belonging to said City with said Bank for use in paying the bond obligations of its special improvement districts and the interest thereon;

And whereas the said arrangement has worked satisfactorily, but the practical procedure has not technically complied with the terms of the former agreement;

And whereas the said Bank has requested that a new agreement be entered into so as to coincide with the present method of handling these funds and so as to give to the Bank greater protection from liability;

Now, Therefore, be it resolved by the City Council of the City of Grand Junction that the following trust proposal be submitted to The United States Bank of Grand Junction for its acceptance;

"The City of Grand Junction hereby deposits funds herewith in the Trust Department of your bank to meet the payment of bond obligations of its Special Improvement Districts as said payments become due, and the payment of interest on all such bond obligations as such interest becomes due and payable.

The City of Grand Junction will hereafter make further deposits from time to time, as it may collect the money, for the express purpose of paying the said bond and/or interest obligations.

All of said moneys are to be kept in a special account by you, designated as "City of Grand Junction Special Improvement Bond and Interest Fund" out of which shall be paid said special improvement bonds which may be called for payment, and the interest on said bond obligations as interest coupons therefor

shall become due from time to time, and the money now and hereafter deposited in said special fund shall not be subject to the direction or control of the City of Grand Junction otherwise than for the payment of said special improvement bonds which may hereafter become due, or the interest thereon, in the following manner, to-wit:

The City Treasurer of the City of Grand Junction, or the assistant City Treasurer, shall issue to the holder of said bonds and coupons as they become due or are called for payment, a Trust Receipt and Order, a copy of which is hereto attached; in each such Trust Receipt and Order shall be inserted a substantial description of the bonds and/or coupons to be retired; and each Trust Receipt and Order, when properly endorsed by the payee named therein, shall constitute your authority to withdraw from said money a sufficient amount to pay said order. The Bank will not be held liable for refusal to pay funds upon such receipt and order for good and sufficient reasons.

It shall be the duty of the City Treasurer to substantially describe in each trust receipt the bond and/or coupons so retired, but the Bank will not be held liable for payments of funds upon order of the City Treasurer in which an adequate description is not given, nor shall it be under any duty to investigate the correctness thereof.

It is further stipulated that the Bank will not be held liable for the validity of any bond or coupon so paid, nor for the wrongful, fraudulent, negligent, erroneous, improper or unlawful act of the City Treasurer or his assistants. Concisely, the said bonds and coupons are not to be delivered or exhibited to the Bank or investigated by it in any manner, nor shall the Bank be under any obligation or duty in connection with the presentation or cancellation of the same, but can conclusively rely on the trust receipt and order in the withdrawal of funds under said deposit.

It shall be the duty of the President of the City Council and the City Clerk to notify the Bank in writing of the name of the person who is qualified and acting City Treasurer as of this date, and to furnish the bank with a genuine signature of said treasurer, and they shall notify the Bank in wiring immediately upon his removal, and shall furnish the Bank with the name and signature of the person designated to sign in his stead.

It is understood and agreed that upon your acceptance hereof a trust fund is hereby created and the moneys paid and to be paid into said special fund shall never be taken or considered as a general deposit in your Bank, but shall constitute at all times a specific trust deposit which would constitute a preferred claim in case of the closing of said Bank. This trust agreement shall terminate on May 1, 1945, unless thereafter extended, and all of the said trust funds now deposited with you or which may hereafter be deposited with you, and not expended by you in the payment of bond obligations and/or interest on Special Improvement District

Bonds as herein required, shall be repaid by the said Bank to the said City on May 1, 1945.

It was moved by Councilman Boston and seconded by Councilman Hoisington that the resolution be passed and adopted as read. Roll was called on the motion with all members of the Council present voting AYE. The President declared the motion carried.

#### RESOLUTION

Whereas, the City of Grand Junction, has heretofore, on October 10, 1934, entered into a Trust Agreement with the First National Bank in Grand Junction, Colorado, for deposit of funds belonging to said City with said Bank for use in paying its General Obligation Bonds and Water Revenue Bonds and the interest thereon;

And whereas the said arrangement has worked satisfactorily, but the practical procedure has not technically complied with the terms of the former agreement;

And whereas the said Bank has requested that a new agreement be entered into so as to coincide with the present method of handling these funds and so as to give the Bank greater protection from liability;

Now, Therefore, be it resolved by the City Council of the City of Grand Junction that the following trust proposal be submitted to the First National Bank in Grand Junction for its acceptance:

The City of Grand Junction hereby deposits funds in the Trust Department of your Bank to meet the payment of (a) Bond Obligations of its General Obligation Bonds as payments become due, and (b) Bond Obligations of its Water Revenue Bonds as payments become due; and (c) the payment of interest on all of said bond obligations as such interest becomes due and payable.

The City of Grand Junction will hereafter make further deposits from time to time, as it may collect water and sewer rentals and taxes, for the express purpose of paying the said bond and/or interest obligations.

All of said moneys are to be kept in a special account by you, designated as "City of Grand Junction General Obligation Bond and Interest Fund" out of which shall be paid said general obligation bonds which may be called for payment, and the interest on said bond obligations as interest coupons therefor shall become due from time to time, and the money now or hereafter deposited in said special fund shall not be subject to the direction or control of the City of Grand Junction otherwise than for the payment of said general obligation bonds which may hereafter become due or the interest thereon, in the following manner, to-wit:

The City Treasurer of the City of Grand Junction or Assistant City Treasurer, shall issue to the holder of said bonds and coupons as they become due or are called for payment, a Trust Receipt and Order, a copy of which is hereto attached; each Trust Receipt and Order, when properly endorsed by the payee named therein, shall constitute your authority to withdraw from said money a sufficient amount to pay said order. The Bank will not be held liable for refusal to pay funds upon such receipt and order for good and sufficient reasons.

It shall be the duty of the City Treasurer to substantially describe in each trust receipt the bond and coupons so retired, but the Bank will not be held liable for payments of funds upon order of the City Treasurer in which an adequate description is not given, nor shall it be under any duty to investigate the correctness thereof.

It is further stipulated that the Bank will not be held liable for the validity of any bond or coupon so paid, nor for the wrongful, fraudulent, negligent, erroneous, improper or unlawful act of the City Treasurer or his assistants. Concisely, the said bonds and coupons are not to be delivered or exhibited to the Bank or investigated by it in any manner, nor shall the Bank be under any obligation or duty in connection with the presentation or cancellation of the same, but can conclusively rely on the trust receipt and order in the withdrawal of funds under said deposit.

It shall be the duty of the President of the City Council and the City Clerk to notify the bank in writing of the name of the person who is duly qualified and acting City Treasurer as of this date, and to furnish the Bank with a genuine signature of said Treasurer, and they shall notify the Bank in writing immediately upon his removal, and shall furnish the Bank with the name and signature of the person designated to sign in his stead.

It is understood and agreed that upon your acceptance hereof a trust fund is hereby created and the moneys paid and to be paid into said special fund shall never be taken or considered as a general deposit in your Bank, but shall constitute at all times a specific trust deposit which would constitute a preferred claim in case of the closing of said Bank. This trust agreement is made under and in conformity with the provisions of Section 11-K of the Federal Reserve Act.

All of the said trust funds now deposited hereby with you, or which may hereafter be deposited with you, and not expended by you in the payment of bond obligations and/or interest on General Obligation bonds as herein required, shall be repaid to the said City by the said Bank on May 1, 1945.

It was moved by Councilman Carson and seconded by Councilman Ross that the Resolution be passed and adopted as read. Roll was called on the motion with all members of the Council voting AYE. The President declared the motion carried.

J. A. Cox applied for a driveway permit extending his driveway at 536 North 4th 10 feet. It was moved by Councilman Carson and seconded by Councilman Boston that the application of Mr. Cox be approved. Motion carried.

Sally Ann Bakery presented an application for a 66-foot additional driveway on Rood Ave. It was moved by Councilman Carson and seconded by Councilman Ross that the request of the Sally Ann Bakery be approved. Motion carried.

Mr. Brownson presented a proposed plan for allowing all City employees who have worked a year steady, a vacation. This matter was discussed at length. It was moved by Councilman Ross and seconded by Councilman Carson that the General Order as worked out by Mr. Brownson, concerning vacations for City employees be allowed. Roll was called on the motion with all members of the Council present voting AYE. The President declared the motion carried.

It was moved by Councilman Carson and seconded by Councilman Boston that the matter of the lease of Camp BR-22-C be continued until the next regular meeting of the Council. Motion carried.

It was moved by Councilman Carson and seconded by Councilman Boston that the meeting adjourn. Motion carried.

/s/ Helen C. Tomlinson  
City Clerk